



# **Energy Legislation and Mandates**

# The Energy Bill

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# STALLED

# Energy Bill

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- **Title I – Energy Efficiency**
  - Energy and Water Saving Measures in Congressional Buildings
  - New Energy Reduction Goals for Federal Facilities
  - Metering Requirement for All Federal Buildings
  - Energy Star Products Procurement
  - ESPC Reauthorization: Permanent + Water
  - Pilot Program for Non-Buildings
  - Advanced Building Efficiency Test Bed
- **Title II – Renewable Energy**

# Why Stalled?

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- **Conference Report**
- **Passed by House**
- **Senate was 2 votes short for Cloture to end debate (60 votes needed)**
- **Issues: MTBE liability & ethanol subsidies**
- **Regional differences – not just political**

# Stalled ESPC Projects

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- **60 Projects Nationwide**
- **\$400 Million in Investment**
- **4000 Jobs**

## ESPC Stalled Projects Nationwide

Anniston Army Depot, AL  
Barstow MC Logistics Base, CA  
Federal Courthouse, CA  
Fort Irwin, CA  
Hagel Federal Building, CA  
Lawrence Livermore National  
Labs, CA  
Twentynine Palms, CA  
NASA Jet Propulsion Lab, CA  
Vandenberg Air Force Base, CA  
Fort Carson, CO  
Jacksonville Naval Air Station, FL  
Key West Naval Air Station, FL  
Mayport Naval Station, FL  
Kings Bay Naval Submarine  
Base, GA  
Pearl Harbor Naval Complex, HI  
Argonne National Lab, IL  
Harold Washington Social  
Security Center, IL  
Railroad Retirement Board, IL  
Barksdale Air Force Base, LA  
White Oak Federal Building, MD  
Detroit Arsenal, MI

McNamara Federal Building, MI  
Fort Leonard Wood, MO  
Whiteman Air Force Base, MO  
Columbus Air Force Base, MS  
Gulfport Naval Center, MS  
Keesler Air Force Base, MS  
Stennis Space Center, MS  
EPA Research Triangle Park,  
NC  
Camden US Post Office,  
Courthouse & Annex, NJ  
Southwest Indian Polytechnic  
Institute, NM  
White Sands Missile Range, NM  
National Nuclear Safety  
Administration, NV  
Nellis Air Force Base, NV  
Fort Drum, NY  
US Military Academy at West  
Point, NY  
HIS Lawton Indian Hospital, OK  
Corpus Christi Army Depot, TX  
Darnall Medical Center, TX  
Fort Bliss, TX  
Fort Hood, TX

Fort Sam Houston, TX  
Lackland Air Force Base, TX  
LBJ Presidential Library, TX  
Naval Region South, TX  
Pantex Plant, TX  
William Beaumont Army Medical  
Center, TX  
Dugway Proving Grounds, UT  
Abingdon Federal Building, VA  
Harrisonburg US Courthouse, VA  
Poff Federal Building, VA  
Bangor US Naval Sub Base, WA  
Fort Lewis, WA  
GSA Jackson Federal Building,  
WA  
McChord Air Force Base, WA  
US Coast Guard Facilities,  
Various Sites in WA  
GSA Border Stations, Various  
Sites in US

# ESPC Reauthorization Alternative

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- **FY05 Defense Authorization Bill**
- **Senate Amendment to reauthorize ESPC until October 2005**
  - All Agencies – not just DOD
  - Includes Water
  - Wide bi-partisan support
- **House version of bill does NOT contain this provision**
- **Must be worked out in House-Senate Conference Committee**

# ESPC Reauthorization CBO Scoring Problem

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- **Congressional Budget Office (CBO) is scoring ESPC legislation for the first time**
- **The total anticipated investment is scored up-front**
  - 1 year extension = \$267 million
  - Permanent extension = \$3 billion
- **CBO views ESPC authority as a new obligation to pay and therefore, scores it**
  - No offset for savings
- **This has been a BIG Problem**



# ESPC Reauthorization Outlook

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- **Conferees back to work in September**
- **Industry is lobbying hard**
- **Congress may have a “lame duck” session after the election to complete the Defense bill**

# The Washington Post

AN INDEPENDENT NEWSPAPER



## Silver Lining

**A**T A TIME when many are deploring the disappearance of bipartisanship and civility from the Senate floor (see above), it's worth noting that a stunning range of senators, from Hillary Rodham Clinton (D-N.Y.) to Dianne Feinstein (D-Calif.) to James M. Inhofe (R-Okla.) are supporting a substantive and valuable program, which is also backed by the Teamsters, the secretary of energy and the Sierra Club. The program in question is known by the unwieldy name of Energy Savings Performance Contracting (ESPC). In essence, it allows the federal government—the largest energy consumer in the country—to use private financing in order to upgrade buildings and military facilities and make them more energy-efficient. Contractors are paid afterward, out of savings generated by their work, and indeed must actually guarantee that there will be more money saved than spent. Over time, the savings may be substantial. The Department of Energy estimates that ESPC projects already completed or underway in 46 states will conserve enough energy to heat and

light 200 million American homes for a year, and save taxpayers some \$4 billion by cutting the federal government's energy bills.

Unfortunately, the program, originally set up in 1992, expired in October of last year, after Congress failed to pass any of several energy bills that would have reauthorized it. In the meantime, the Congressional Budget Office changed its accounting rules and decided to score the program—meaning that it technically counts as a budget expenditure—even though it saves money in the long term. For that reason, Congress has found it hard to move on the issue. Some 50 energy-saving projects across the country are stalled as a result, and several thousand jobs are at risk.

Now, however, in a grand and welcome show of civility, the Senate has passed an amendment to the defense reauthorization bill that would bring this small program back to life. **Senators and their counterparts in the House should make sure that it remains part of the bill through the conference process. A little bit of goodwill would be a sad thing to waste.**